Congress of the United States

Washington, DC 20515

April 23, 2025

The Honorable Ing-Jye Cheng
Acting Deputy Administrator and Director
Center for Medicare
7500 Security Boulevard
Baltimore, MD 21244

Dear Ms. Cheng,

We write to you with regarding concerning reports coming from Colonial Heights Rehabilitation and Nursing Center as well as a recent Department of Health and Human Services (HHS) Office of Inspector General (OIG) report from December 2024 titled "Some Selected Skilled Nursing Facilities Did Not Comply With Medicare Requirements for Reporting Related-Party Costs," outlining challenges with the Centers for Medicare and Medicaid Services (CMS) oversight of senior and assisted living communities.

Located in Colonial Heights, Virginia, the Colonial Heights Rehabilitation and Nursing Center has been at the center of a Virginia Department of Health (VDH) investigation and subsequent inspection reports outlining how employees allegedly "falsifying records" and engaged in "abuse and neglect of vulnerable adults." These reports are simply heartbreaking; it is critical that our seniors receive the quality care they've earned and deserve.

Additionally, a December 2024 HHS OIG report outlined how in "14 [Skilled Nursing Facilities] SNFs in our nonstatistical sample…7 of the 14 SNFs did not properly adjust some of their related-party costs to Medicare-allowable costs as required, which resulted in more than $1.7 million in overstated costs."

We share the same goal of quality care for all seniors, and it is critical that we conduct rigorous review of the reports at Colonial Heights Rehabilitation and Nursing Center. Additionally, CMS must adequately oversee – in partnership with the states – the Skilled Nursing Facilities (SNFs), of which about 1.2 million Americans as of Fiscal Year (FY) 2023 reside and ensure proper accounting of SNFs' cost reports. Of note, we support HHS OIG's recommendation that Medicare administrative contractors (MACs) be "required as a part of the normal desk review or audit process, a review of reporting and disclosure of related-party costs." We look forward to working with CMS to improve Medicare for all Americans to ensure accountability and transparency in all Medicare expenditures and welcome your feedback to these concerns.

Respectfully,

Robert J. Wittman
Member of Congress

Mark R. Warner
United States Senator

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Tim Kaine
United States Senator

CC:

Dr. Mehmet Oz, Administrator, Centers for Medicare and Medicare Services